

ANNEX I

DRAFT AGREEMENT OF MERGER BY ABSORPTION OF 100% SUBSIDIARIES

(pursuant to Articles 48-49 of Law 4843/2021,
and L. 4601/2019 and L. 4172/2013)

BETWEEN THE COMPANIES UNDER THE TRADE NAME:

"PUBLIC POWER CORPORATION SOCIETE ANONYME" and the distinctive title "P.P.C. S.A.", with G.E.MI. number (General Electronic Commercial Registry) 000786301000,

"LIGNITIKI MEGALOPOLIS SINGLE PERSON SOCIETE ANONYME" and the distinctive title "LIGNITIKI MEGALOPOLIS SINGLE PERSON S.A.", with G.E.MI. number 146817501000,

"LIGNITIKI MELITIS SINGLE PERSON SOCIETE ANONYME" and the distinctive title "LIGNITIKI MELITIS SINGLE PERSON S.A.", with G.E.MI. number 146817401000

In Athens, this Thursday, 24 February 2022, between:

a) The societe anonyme under the trade name **"PUBLIC POWER CORPORATION SOCIETE ANONYME"** and the distinctive title "P.P.C. S.A.", having its registered seat in Athens, 30 Chalkokondyli st., with TIN number 090000045 and G.E.MI. number 000786301000, represented herein by Mr. Georgios Stassis, Chairman and CEO, according to the minutes dated 23.2.2022 of the Board of Directors of the above company,

b) The societe anonyme under the trade name **"LIGNITIKI MEGALOPOLIS SINGLE PERSON SOCIETE ANONYME"** and the distinctive title **"LIGNITIKI MEGALOPOLIS SINGLE PERSON S.A."**, having its registered seat in Athens at 57 Veranzerou st., with TIN number 996942450 and G.E.MI. number 146817501000, represented herein by Mr. Ioannis Kopanakis, Chairman of the Board of Directors, according to the minutes dated 24.2.2022 of the Board of Directors of the above company,

c) The societe anonyme under the trade name **"LIGNITIKI MELITIS SINGLE PERSON SOCIETE ANONYME"** and the distinctive title **"LIGNITIKI MELITIS**

SINGLE PERSON S.A.", having its registered seat in Athens at 57 Veranzerou st., with TIN number 996942461 and G.E.MI. number 146817401000, represented herein by Mr. Ioannis Kopanakis, Chairman of the Board of Directors, according to the minutes dated 24.2.2022 of the Board of Directors of the above company,

it was agreed and mutually accepted to merge the above companies through absorption of the second and third of them by the first.

To this end, the above companies, legally represented, draw up the present Draft Merger Agreement, in accordance with the provisions of Articles 48-49 of Law 4843/2021, Law 4601/2019 and Law 4172/2013, and pursuant to the more specific terms set out below:

1. The absorbing is the societe anonyme "PUBLIC POWER CORPORATION SOCEITE ANONYME" (d.t. "P.P.C. S.A."), with G.E.MI. number 000786301000 (the "**Absorbing Company**")

The Absorbed are on the one hand the societe anonyme under the trade name "**LIGNITIKI MEGALOPOLIS SINGLE PERSON SOCIETE ANONYME**" and the distinctive title "LIGNITIKI MEGALOPOLIS SINGLE PERSON S.A.", with G.E.MI. number 146817501000 ("**First Absorbed Company**") and on the other hand the societe anonyme under the tradename "**LIGNITIKI MELITIS SINGLE PERSON SOCIETE ANONYME**" and the distinctive title "LIGNITIKI MELITIS SINGLE PERSON S.A.", with G.E.MI. 146817401000 the ("**Second Absorbed Company**") and together with the First Absorbed Company, the "**Absorbed Companies**")

2. The above merging companies decided the merger by absorption of the Absorbed Companies by the Absorbing Company, pursuant to the possibility provided by Articles 48-49 of Law 4843/2021 and considered it appropriate and advantageous because it will contribute to the simplification of the corporate structure of the group of companies of the Absorbing Company, in particular in the context of demerger through hive-down of the Activity of its Post-Lignite Development Business Sector, as provided for in Articles 26 and 27 of Law No. 4872/2021 (Government Gazette A' 247/10.12.2021). The said merger will enable the completion of the demerger through hive-down of the Post-Lignite Development Activity and the transition of PPC S.A. to the post-lignite era. In addition, the present merger will result in significant benefits for the Absorbing Company, such as centralisation of operations, optimisation and expansion of activities

and more efficient cost management. In particular, this merger and consolidation of the business activities of the merging companies is expected to result in the restructuring and in a more rational organisation of their activities through a more efficient performance of their activities by the Absorbing Company, given that the former has adequate resources, organization and human resources, and in the achievement of economies of scale. Furthermore, the above simplification of the existing structure and the restructuring of the activities are part of the overall effort to increase productivity and enhance competitiveness in the relevant market in which the merging companies operate.

2. The parties have agreed on the terms of the merger agreement, following the special decisions dated 23.2.2022 24.2.2022 and 24.2.2022 of the Board of Directors of the Absorbing Company, of the First Absorbed Company and of the Second Absorbed Company respectively. Also, by the same decisions of the Boards of Directors of the companies involved in the merger, the Boards of Directors of these companies gave to Messrs. George Stassis for the Absorbing Company and Ioannis Kopanakis for the First and the Second Absorbed Companies, the mandate and authorisation to conduct the relevant merger procedures, to draft and sign the Draft Merger Agreement, to submit it to the publicity formalities of article 8 of Law 4601/2019, submit it for approval to the competent corporate bodies, inform the shareholders of the merging companies that the documents referred to in Article 11 of Law 4601/2019 have been made available to them at the registered seats of the Absorbed Companies and have been posted on the website of the Absorbing Company, to sign the notarial deed of Merger and, in general, to proceed to all legal acts, actions and declarations necessary, at their discretion, for the development and completion of the process of this merger, within the limits of the mandate given to them by the Board of Directors of each of the companies participating in the merger.

3. The present merger will take place pursuant to articles 48 49 of Law 4843/2021, the provisions of articles 7-21 and 35 of Law 4601/2019 and the provisions of Law 4172/2013, as applicable, by valuating the assets (net worth) of the Absorbed Companies (article 17 of Law 4548/2018), as these assets and liabilities are reflected in their balance sheet dated 30.11.2021. With respect to the Absorbing Company the merger procedure is concluded upon filing with the G. E.MI. of the merger agreement (by notarial deed) and any other documents provided for by law, even before the deletion of each of the Absorbed Companies from the G.E.MI.

4. As from the completion of the merger, the Absorbing Company shall be substituted automatically, fully and without any other formalities, in accordance with the law, to all rights, demands, claims, obligations and legal relations of the Absorbed Companies and this transfer shall be equivalent to universal succession, and any legal proceedings of the Absorbed Companies shall be continued by the Absorbing Company without any other formalities being required and no violent interruption of such proceeding shall take place as a result of the merger. Upon completion of the merger, the Absorbed Companies shall be deemed to be automatically dissolved and their legal personality shall cease to exist, and no liquidation shall be required.

5. The Absorbing Company has a share capital of nine hundred and forty-seven million three hundred and sixty thousand (947,360,000) €, fully paid up, divided into three hundred and eighty-two million (382,000,000) ordinary registered shares, with a nominal value of two Euro and forty-eight cents (€ 2.48) each. The shares of the Absorbing Company are listed on the main market of the Athens Stock Exchange.

The First Absorbed Company, "LIGNITIKI MEGALOPOLIS SINGLE PERSON SOCIETE ANONYME", has a share capital of forty-one million three hundred and thirty-four thousand eighty-eight (41.334,088) €, fully paid up, divided into ten million three hundred and thirty-three thousand five hundred and twenty-two (10,333,522) registered shares, with a nominal value of four (4,00) € each.

The Second Absorbed Company, "LIGNITIKI MELITIS SINGLE PERSON SOCIETE ANONYME ", has a share capital of fifty-six million nine hundred and twenty-two thousand (56,922,000) €, paid up in full, divided into fourteen million two hundred and thirty thousand five hundred (14,230,500) registered shares, with a nominal value of four (4,00) € each.

6. The Absorbed Companies shall transfer their overall assets and liabilities to the Absorbing Company based on their assets, which are reflected in their balance sheet dated 30.11.2021 and have been valued according to the Valuation Reports dated 23.2.2022 of the Certified Public Accountants Dimitrios Douvris with S.O.E.L. Reg. no 33921 and Stergios Detsikas with A.M. S.O.E.L. 41961 of the audit firm "*Grant Thornton S.A. Chartered Accountants Management Consultants*", who were appointed for this purpose by the Absorbing Company by virtue of the decision of its Board of Directors dated 13.12.2021. The Balance Sheets and Valuation Reports shall be incorporated as an integral part hereof as Annex I. The Absorbing Company shall

become the owner, occupier, possessor and holder of all movable and immovable assets of the Absorbed Companies, of the claims thereof against third parties for any reason whatsoever, and in general of all assets of the Absorbed Companies as reflected in the balance sheet dated 30.11.2021, and as such assets shall be formed until the legal completion of this merger.

7. Any other rights, intangible assets, claims or other assets, even if not specifically referred to or precisely described in this draft agreement, whether by omission or oversight, licenses of any kind granted by the authorities, as well as rights or legal relations arising from any other relevant contract or legal transaction, which, upon the legal completion of the merger, shall be transferred to the Absorbing Company which shall have full ownership thereon. The full description of the assets of the Absorbed Companies, the transfer of which requires compliance with special formal requirements, shall be set out in the final notarial deed of the merger.

8. The Absorbed Companies shall declare, promise and warrant that: (a) their assets and liabilities as of 30.11.2021 are those reflected in their balance sheets dated 30.11.2021 on which the assets contributed, transferred and delivered to the Absorbing Company are listed, (b) the assets contributed are under their sole ownership and are free of actual and legal defects of any kind whatsoever, (c) the contributed liabilities arise to the amounts listed on their abovementioned balance sheets. Upon completion of the merger, the Absorbed Companies shall be deemed to be automatically dissolved, their legal personality shall cease to exist, and no liquidation shall be required.

9. The Absorbing Company shall declare that it accepts the contribution of the assets and liabilities of the Absorbed Companies, as reflected in their balance sheet dated 30.11.2021, and valued according by the Valuation Reports dated 23.2.2022 of the Certified Public Accountants Dimitrios Douvris with S.O.E.L. Reg. Number 33921 and Stergios Detsikas with S.O.E.L. Reg. Number 41961 of the audit firm "Grant Thornton S.A. Chartered Accountants Management Consultants", and as these will have been altered until the completion of the merger. These assets shall form part of the assets and liabilities of the Absorbing Company. The Balance Sheets and the Valuation Reports shall be incorporated as an integral part hereof as Appendix I.

10. The Absorbing Company currently owns 100% of the shares of the Absorbed Companies, in other words their entire share capital. The share capital of the Absorbing Company shall not be altered and the Absorbing Company shall not be obliged to issue

new shares, since the claim for the issuance of new shares is amortized, due to intermingling, as it holds all (100%) of the shares of the Absorbed Companies. Upon completion of the merger, the shares of the Absorbed Companies shall be cancelled (as amortized following intermingling), shall no longer have any value and such value shall be offset against the corresponding account "Participations" of the Absorbing Company's assets, after special cancellation minutes have been drawn up by the Board of Directors of the latter.

11. All actions and transactions of the Absorbed Companies until the completion of the merger shall be considered in terms of accounting to be carried out for their account and the financial results that will arise during that period shall benefit or be borne exclusively by them.

12. Shareholders of the Absorbed Companies shall not be entitled to special rights or hold securities other than ordinary shares. There are no special benefits for the members of the Board of Directors, the Trustees and the Statutory Auditors of the merged companies, nor are any such benefits or rights granted as a result of the present merger to such bodies.

13. All shareholders of the Absorbing Company shall have the right, at least one (1) month prior to the completion of the merger, to inspect at the registered offices of the Absorbed Companies the documents provided for in cases a', b' and c' of paragraph 1, article 11 of Law 4601/2019, in accordance with article 35 par. 2 of Law 4601/2019 in conjunction with Article 48 of Law 4843/2021, as applicable.

14. The terms hereof have been agreed by the Parties, following specific decisions of their respective Boards of Directors.

15. The final decision on this merger shall be taken by the competent bodies of the merging societies anonymes in accordance with article 35 of Law 4601/2019, as in force. The merger shall be deemed completed pursuant to par. 1, Article 18 of Law 4601/2018, following registration of the merger deed with the General Commercial Registry (G.E.MI.) as regards the Absorbing Company.

16. The present merger does not require a resolution of the General Meeting of the merging companies, notwithstanding the general provisions, by virtue of the provision of paragraph 2, article 35 of Law 4601/2019, provided that:

(a) the publicity of the draft merger agreement pursuant to article 8 of Law 4601/2019 shall be made, by each of the companies participating in the merger, at least one (1) month prior to the completion of the merger pursuant to paragraph 1, article 18 of Law 4601/2019 and

(b) the shareholders of the Absorbing Company shall have the right, at least one (1) month prior to the completion of the merger pursuant to par. 1, article 18 of Law 4601/2019, to inspect at the registered offices of the Absorbed Companies of the documents provided for in cases a', b' and c' of par. 1, article 11 of Law 4601/2019.

17. If one or more shareholders of the Absorbing Company, representing one twentieth (1/20) of the paid-up share capital, request, until the completion of the merger, the convocation of an extraordinary General Meeting, setting as for item on the agenda the adoption of a resolution for the approval of the merger in accordance with article 14 of Law 4601/2019, then a relevant resolution shall be required by the General Meeting of the Absorbing Company.

18. Pursuant to Article 35 of Law 4601/2019, the parties agree not to have an explanatory report of the Boards of Directors of the companies involved in the merger prepared, and not to have the draft merger agreement examined by experts and a relevant report prepared by them.

19. This merger shall be subject to the approval of the competent authority in accordance with the relevant provisions of Law 4601/2019.

In witness whereof, the present Draft Merger Agreement has been drawn up and duly signed by the legal representatives of the merging companies.

For PPC S.A.

For LIGNITIKI MEGALOPOLIS SINGLE PERSON SOCIETE ANONYME

For LIGNITIKI MELITIS SINGLE PERSON SOCIETE ANONYME

Lignitiki Megalopolis Single Person S.A.
Financial Position - Transformation Statement

amounts in € at 30/11/2021	IFRS value
Tangible Fixed Assets	25.388.312,07
Intangible Assets	131.902,24
Other Non - Current Assets	1.073.528,58
Total Non - Current Assets	26.593.742,89
Inventories	15.154.320,15
Trade Receivables	4.725.902,65
Other Current Assets	2.554.935,73
Cash and cash equivalents	63.366.774,61
Total Current Assets	85.801.933,14
Total Assets	112.395.676,04
Employee Benefit Provision	11.806.266,00
Provisions for Risks	1.425.060,36
Deferred Tax Liabilities	511.274,58
Subsidies for the acquisition of fixed assets	4.493.257,66
Other Long Term Liabilities	-
Total Long Term Liabilities	18.235.858,61
Trade and other Payables	58.395.655,10
Accrued and other current liabilities	18.698.082,82
Total Current Liabilities	77.093.737,92
Total Liabilities	95.329.596,53
Total Equity	17.066.079,51

Lignitiki Melitis Single Person S.A.
Financial Position - Transformation Statement

amounts in € at 30/11/2021	IFRS value
Tangible Fixed Assets	24.180.096
Intangible Assets	1.108
Other Non - Current Assets	302.644
Total Non - Current Assets	24.483.849
Inventories	8.345.168
Trade Receivables	6.142.397
Other Current Assets	6.116.095
Cash and cash equivalents	27.595.832
Total Current Assets	48.199.492
Total Assets	72.683.340
Deferred Tax Liabilities	4.204.058
Employee Benefit Provision	3.250.437
Provisions for Risks	4.183.171
Total Long Term Liabilities	11.637.666
Trade and other Payables	35.587.924
Accrued and other current liabilities	4.722.537
Total Current Liabilities	40.310.461
Total Liabilities	51.948.127
Total Equity	20.735.213

VALUATION REPORT

Available only in Greek Language